

What has changed?

The electronic reporting requirements for the automobile insurance database have introduced some time constraint problems into the vehicle registration process. The problems generally center around a dealer trade-in. Dealers do not report to the department when vehicles are traded-in and ownership transfers to the dealership, which means that the department believes that the automobile is still in the possession of the previous owner.

In the past that was not a problem but because the owner will now logically cancel the insurance on the old car, the department is under the impression that the car is being operated without insurance. Unless the customer transfers the tag from the trade-in to the new car within thirty-days (30) or cancels the registration, that customer will probably get a pending suspension letter from the department which then requires the customer to go to the County Tag Agent with a notarized Form MV-18J to correct the information in the database.

The best service a dealer can provide is to process the title and tag transfer paperwork for the customer. The second best approach is for the dealer to process the title paperwork quickly so that the customer has the most amount of time possible to complete the registration process.

Acceptable proof of insurance...

- A **BINDER** issued by your insurance agent/company that is not more than thirty-days (30) old
- A **DECLARATION PAGE** for existing insurance and a **BILL-OF-SALE** for a vehicle that you purchased within the last thirty-days (30)

- An **ELECTRONIC INDICATOR** that your vehicle is insured on the Department of Revenue's (DOR) computer
- A **FLEET** insurance card
- A **SELF-INSURED** insurance card and **CERTIFICATE** issued by Georgia's Insurance Commissioner

Cancel your vehicle's registration at your County Tag Office when you cancel your insurance if...

- You sell or transfer ownership of a vehicle and you will not transfer the registration of the vehicle to another vehicle in thirty-days (30).
- You will not drive a vehicle for thirty (30) or more days because it is used seasonally for agricultural or other purposes.
- The vehicle will not be operated for thirty (30) or more days.

If your vehicle is not continuously insured...

- If there is a "lapse" in insurance coverage, the DOR will notify you that a \$25 lapse fee must be paid at your County Tag Office. Effective July 1, 2005, a "lapse" means ten (10) or more days upon which the records of the department do not reflect that a motor vehicle was covered by a policy of minimum motor vehicle insurance coverage. Prior to July 1, 2005, a "lapse" in insurance coverage means one or more days upon which the records of the department do not reflect that a motor vehicle was covered by a policy of minimum motor vehicle insurance coverage.
- If you do not pay the "lapse" fee within ten-days (10), the DOR will suspend your vehicle's registration.
- If you cancel your insurance and the DOR does not receive acceptable proof of insurance within

thirty-days (30), the DOR will suspend your vehicle's registration.

- If the DOR suspends your vehicle's registration, you can not legally drive your vehicle and;
- For the 1st Suspension, you must pay a \$25 lapse fee and a \$60 fee to reinstate your vehicle's registration before you can legally drive your vehicle.
- For the 2nd Suspension, you must pay a \$25 lapse fee, a \$60 fee to reinstate your vehicle's registration AND you cannot legally drive your vehicle for an additional ninety-days (90).
- For three (3) or more Suspensions, you must pay a \$25 lapse fee, a \$160 fee to reinstate your vehicle's registration **AND** you cannot legally drive your vehicle for an additional six-months (6).

If you do not cancel your vehicle's registration when you cancel your vehicle's insurance and...

- You receive a "lapse" notice, "notice of pending suspension" or "suspension" notice for a vehicle that you no longer own or for a vehicle you do not operate, you need to complete Form MV-18J (Affidavit for Mandatory Insurance Relief) and submit it to your County Tag Office.
- The DOR prints Form MV-18J on the back of the notice.
- Form MV-18J can also be obtained from the Department of Revenue's website at: www.dor.ga.gov.



Georgia Department of Revenue

**Avoid Insurance & Registration Problems
When You Trade-In a Vehicle**

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